

Form 5500

Annual Return/Report of Employee Benefit Plan

OMB Nos. 1210-0110 1210-0089

2024

This Form is Open to Public Inspection

Department of the Treasury Internal Revenue Service

Department of Labor Employee Benefits Security Administration

Pension Benefit Guaranty Corporation

This form is required to be filed for employee benefit plans under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and sections 6057(b) and 6058(a) of the Internal Revenue Code (the Code).

Complete all entries in accordance with the instructions to the Form 5500.

Part I Annual Report Identification Information

For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

- A This return/report is for: a multiemployer plan, a multiple-employer plan, a single-employer plan, a DFE, etc.
B This return/report is: the first return/report, the final return/report, an amended return/report, a short plan year return/report, etc.
C If the plan is a collectively-bargained plan, check here.
D Check box if filing under: Form 5558, automatic extension, the DFVC program, special extension, etc.
E If this is a retroactively adopted plan permitted by SECURE Act section 201, check here.

Part II Basic Plan Information—enter all requested information

1a Name of plan: DICAR, INC. 401(K) PLAN
1b Three-digit plan number (PN): 003
1c Effective date of plan: 10/01/1999
2a Plan sponsor's name (employer, if for a single-employer plan): DICAR, INC.
2b Employer Identification Number (EIN): 22-1894940
2c Plan Sponsor's telephone number: 973-575-1377
2d Business code (see instructions): 339900

Caution: A penalty for the late or incomplete filing of this return/report will be assessed unless reasonable cause is established.

Under penalties of perjury and other penalties set forth in the instructions, I declare that I have examined this return/report, including accompanying schedules, statements and attachments, as well as the electronic version of this return/report, and to the best of my knowledge and belief, it is true, correct, and complete.

Table with 4 columns: SIGN HERE, Signature of plan administrator, Date, Enter name of individual signing as plan administrator. Includes rows for employer/plan sponsor and DFE.

For Paperwork Reduction Act Notice, see the Instructions for Form 5500.

Form 5500 (2024) v. 240311

3a Plan administrator's name and address <input checked="" type="checkbox"/> Same as Plan Sponsor	3b Administrator's EIN	
	3c Administrator's telephone number	
4 If the name and/or EIN of the plan sponsor or the plan name has changed since the last return/report filed for this plan, enter the plan sponsor's name, EIN, the plan name and the plan number from the last return/report: a Sponsor's name c Plan Name	4b EIN	
	4d PN	
5 Total number of participants at the beginning of the plan year	5	153
6 Number of participants as of the end of the plan year unless otherwise stated (welfare plans complete only lines 6a(1) , 6a(2) , 6b , 6c , and 6d). a(1) Total number of active participants at the beginning of the plan year a(2) Total number of active participants at the end of the plan year b Retired or separated participants receiving benefits..... c Other retired or separated participants entitled to future benefits d Subtotal. Add lines 6a(2) , 6b , and 6c e Deceased participants whose beneficiaries are receiving or are entitled to receive benefits. f Total. Add lines 6d and 6e g(1) Number of participants with account balances as of the beginning of the plan year (only defined contribution plans complete this item) g(2) Number of participants with account balances as of the end of the plan year (only defined contribution plans complete this item) h Number of participants who terminated employment during the plan year with accrued benefits that were less than 100% vested.....	6a(1)	121
	6a(2)	139
	6b	0
	6c	26
	6d	165
	6e	0
	6f	165
	6g(1)	130
6g(2)	128	
6h	0	
7 Enter the total number of employers obligated to contribute to the plan (only multiemployer plans complete this item)	7	

8a If the plan provides pension benefits, enter the applicable pension feature codes from the List of Plan Characteristics Codes in the instructions:
 2E 2F 2G 2J 2T 3D

b If the plan provides welfare benefits, enter the applicable welfare feature codes from the List of Plan Characteristics Codes in the instructions:

9a Plan funding arrangement (check all that apply)	9b Plan benefit arrangement (check all that apply)
(1) <input checked="" type="checkbox"/> Insurance	(1) <input checked="" type="checkbox"/> Insurance
(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts	(2) <input type="checkbox"/> Code section 412(e)(3) insurance contracts
(3) <input checked="" type="checkbox"/> Trust	(3) <input checked="" type="checkbox"/> Trust
(4) <input type="checkbox"/> General assets of the sponsor	(4) <input type="checkbox"/> General assets of the sponsor

10 Check all applicable boxes in 10a and 10b to indicate which schedules are attached, and, where indicated, enter the number attached. (See instructions)

a Pension Schedules

- (1) **R** (Retirement Plan Information)
- (2) **MB** (Multiemployer Defined Benefit Plan and Certain Money Purchase Plan Actuarial Information) - signed by the plan actuary
- (3) **SB** (Single-Employer Defined Benefit Plan Actuarial Information) - signed by the plan actuary
- (4) **DCG** (Individual Plan Information) – Number Attached _____
- (5) **MEP** (Multiple-Employer Retirement Plan Information)

b General Schedules

- (1) **H** (Financial Information)
- (2) **I** (Financial Information – Small Plan)
- (3) **A** (Insurance Information) – Number Attached 1
- (4) **C** (Service Provider Information)
- (5) **D** (DFE/Participating Plan Information)
- (6) **G** (Financial Transaction Schedules)

Part III Form M-1 Compliance Information (to be completed by welfare benefit plans)

11a If the plan provides welfare benefits, was the plan subject to the Form M-1 filing requirements during the plan year? (See instructions and 29 CFR 2520.101-2.) Yes No

If "Yes" is checked, complete lines 11b and 11c.

11b Is the plan currently in compliance with the Form M-1 filing requirements? (See instructions and 29 CFR 2520.101-2.) Yes No

11c Enter the Receipt Confirmation Code for the 2024 Form M-1 annual report. If the plan was not required to file the 2024 Form M-1 annual report, enter the Receipt Confirmation Code for the most recent Form M-1 that was required to be filed under the Form M-1 filing requirements. (Failure to enter a valid Receipt Confirmation Code will subject the Form 5500 filing to rejection as incomplete.)

Receipt Confirmation Code _____

<p style="text-align: center;">SCHEDULE A (Form 5500)</p> <p style="font-size: small;">Department of the Treasury Internal Revenue Service</p> <hr/> <p style="font-size: x-small;">Department of Labor Employee Benefits Security Administration</p> <hr/> <p style="font-size: x-small;">Pension Benefit Guaranty Corporation</p>	<p>Insurance Information</p> <p>This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA).</p> <p>▶ File as an attachment to Form 5500.</p> <p>▶ Insurance companies are required to provide the information pursuant to ERISA section 103(a)(2).</p>	<p>OMB No. 1210-0110</p> <hr/> <p style="font-size: 24pt;">2024</p> <hr/> <p>This Form is Open to Public Inspection</p>
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

<p>A Name of plan DICAR, INC. 401(K) PLAN</p>	<p>B Three-digit plan number (PN) ▶</p>	<p>003</p>
<p>C Plan sponsor's name as shown on line 2a of Form 5500 DICAR, INC.</p>	<p>D Employer Identification Number (EIN) 22-1894940</p>	

Part I Information Concerning Insurance Contract Coverage, Fees, and Commissions Provide information for each contract on a separate Schedule A. Individual contracts grouped as a unit in Parts II and III can be reported on a single Schedule A.

1 Coverage Information:

(a) Name of insurance carrier
LINCOLN NATIONAL LIFE INSURANCE COMPANY

(b) EIN	(c) NAIC code	(d) Contract or identification number	(e) Approximate number of persons covered at end of policy or contract year	Policy or contract year	
				(f) From	(g) To
35-0472300	65676	895797 087	18	01/01/2024	12/31/2024

2 Insurance fee and commission information. Enter the total fees and total commissions paid. List in line 3 the agents, brokers, and other persons in descending order of the amount paid.

(a) Total amount of commissions paid	(b) Total amount of fees paid
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3 Persons receiving commissions and fees. (Complete as many entries as needed to report all persons).

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

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	(c) Amount	(d) Purpose	

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(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

(a) Name and address of the agent, broker, or other person to whom commissions or fees were paid

(b) Amount of sales and base commissions paid	Fees and other commissions paid		(e) Organization code
	(c) Amount	(d) Purpose	

Part II Investment and Annuity Contract Information
 Where individual contracts are provided, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

4 Current value of plan's interest under this contract in the general account at year end	4	
5 Current value of plan's interest under this contract in separate accounts at year end.....	5	

6 Contracts With Allocated Funds:

a State the basis of premium rates ▶

b Premiums paid to carrier **6b**

c Premiums due but unpaid at the end of the year **6c**

d If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, enter amount. **6d**
 Specify nature of costs ▶

e Type of contract: (1) individual policies (2) group deferred annuity
 (3) other (specify) ▶

f If contract purchased, in whole or in part, to distribute benefits from a terminating plan, check here ▶

7 Contracts With Unallocated Funds (Do not include portions of these contracts maintained in separate accounts)

a Type of contract: (1) deposit administration (2) immediate participation guarantee
 (3) guaranteed investment (4) other ▶

b Balance at the end of the previous year	7b	792096	
c Additions: (1) Contributions deposited during the year	7c(1)	22728	
	7c(2)	0	
	7c(3)	14205	
	7c(4)	0	
	7c(5)	8309	
	▶ OTHER INCOME		
(6) Total additions	7c(6)	45242	
d Total of balance and additions (add lines 7b and 7c(6))	7d	837338	
e Deductions:			
	(1) Disbursed from fund to pay benefits or purchase annuities during year	7e(1)	9050
	(2) Administration charge made by carrier.....	7e(2)	1815
	(3) Transferred to separate account	7e(3)	0
	(4) Other (specify below)	7e(4)	83744
▶ OTHER EXPENSES			
(5) Total deductions	7e(5)	94609	
f Balance at the end of the current year (subtract line 7e(5) from line 7d).....	7f	742729	

Part III Welfare Benefit Contract Information
 If more than one contract covers the same group of employees of the same employer(s) or members of the same employee organizations(s), the information may be combined for reporting purposes if such contracts are experience-rated as a unit. Where contracts cover individual employees, the entire group of such individual contracts with each carrier may be treated as a unit for purposes of this report.

8 Benefit and contract type (check all applicable boxes)

- a** Health (other than dental or vision)
- b** Dental
- c** Vision
- d** Life insurance
- e** Temporary disability (accident and sickness)
- f** Long-term disability
- g** Supplemental unemployment
- h** Prescription drug
- i** Stop loss (large deductible)
- j** HMO contract
- k** PPO contract
- l** Indemnity contract
- m** Other (specify) ▶

9 Experience-rated contracts:

a	Premiums: (1) Amount received	9a(1)		
	(2) Increase (decrease) in amount due but unpaid	9a(2)		
	(3) Increase (decrease) in unearned premium reserve	9a(3)		
	(4) Earned ((1) + (2) - (3))		9a(4)	0
b	Benefit charges (1) Claims paid	9b(1)		
	(2) Increase (decrease) in claim reserves	9b(2)		
	(3) Incurred claims (add (1) and (2))		9b(3)	0
	(4) Claims charged		9b(4)	
c	Remainder of premium: (1) Retention charges (on an accrual basis) --			
	(A) Commissions	9c(1)(A)		
	(B) Administrative service or other fees	9c(1)(B)		
	(C) Other specific acquisition costs	9c(1)(C)		
	(D) Other expenses	9c(1)(D)		
	(E) Taxes	9c(1)(E)		
	(F) Charges for risks or other contingencies	9c(1)(F)		
	(G) Other retention charges	9c(1)(G)		
	(H) Total retention		9c(1)(H)	0
	(2) Dividends or retroactive rate refunds. (These amounts were <input type="checkbox"/> paid in cash, or <input type="checkbox"/> credited.)		9c(2)	
d	Status of policyholder reserves at end of year: (1) Amount held to provide benefits after retirement		9d(1)	
	(2) Claim reserves		9d(2)	
	(3) Other reserves		9d(3)	
e	Dividends or retroactive rate refunds due. (Do not include amount entered in line 9c(2).)		9e	

10 Nonexperience-rated contracts:

a	Total premiums or subscription charges paid to carrier	10a	
b	If the carrier, service, or other organization incurred any specific costs in connection with the acquisition or retention of the contract or policy, other than reported in Part I, line 2 above, report amount.	10b	

Specify nature of costs.

Part IV Provision of Information

11 Did the insurance company fail to provide any information necessary to complete Schedule A? Yes No

12 If the answer to line 11 is "Yes," specify the information not provided. ▶

SCHEDULE C (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Service Provider Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning **01/01/2024** and ending **12/31/2024**

A Name of plan DICAR, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶	003
C Plan sponsor's name as shown on line 2a of Form 5500 DICAR, INC.	D Employer Identification Number (EIN) 22-1894940	

Part I Service Provider Information (see instructions)

You must complete this Part, in accordance with the instructions, to report the information required for **each person** who received, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of monetary value) in connection with services rendered to the plan or the person's position with the plan during the plan year. If a person received **only** eligible indirect compensation for which the plan received the required disclosures, you are required to answer line 1 but are not required to include that person when completing the remainder of this Part.

1 Information on Persons Receiving Only Eligible Indirect Compensation

a Check "Yes" or "No" to indicate whether you are excluding a person from the remainder of this Part because they received only eligible indirect compensation for which the plan received the required disclosures (see instructions for definitions and conditions)..... Yes No

b If you answered line 1a "Yes," enter the name and EIN or address of each person providing the required disclosures for the service providers who received only eligible indirect compensation. Complete as many entries as needed (see instructions).

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

FIDELITY INVESTMENTS INSTITUTIONAL

04-2647786

(b) Enter name and EIN or address of person who provided you disclosures on eligible indirect compensation

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2. Information on Other Service Providers Receiving Direct or Indirect Compensation. Except for those persons for whom you answered "Yes" to line 1a above, complete as many entries as needed to list each person receiving, directly or indirectly, \$5,000 or more in total compensation (i.e., money or anything else of value) in connection with services rendered to the plan or their position with the plan during the plan year. (See instructions).

(a) Enter name and EIN or address (see instructions)

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04-2647786

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
37 64 65	RECORDKEEPER	17746	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	Yes <input checked="" type="checkbox"/> No <input type="checkbox"/>	0	Yes <input type="checkbox"/> No <input checked="" type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

(a) Enter name and EIN or address (see instructions)

(b) Service Code(s)	(c) Relationship to employer, employee organization, or person known to be a party-in-interest	(d) Enter direct compensation paid by the plan. If none, enter -0-.	(e) Did service provider receive indirect compensation? (sources other than plan or plan sponsor)	(f) Did indirect compensation include eligible indirect compensation, for which the plan received the required disclosures?	(g) Enter total indirect compensation received by service provider excluding eligible indirect compensation for which you answered "Yes" to element (f). If none, enter -0-.	(h) Did the service provider give you a formula instead of an amount or estimated amount?
			Yes <input type="checkbox"/> No <input type="checkbox"/>	Yes <input type="checkbox"/> No <input type="checkbox"/>		Yes <input type="checkbox"/> No <input type="checkbox"/>

Part I Service Provider Information (continued)

3. If you reported on line 2 receipt of indirect compensation, other than eligible indirect compensation, by a service provider, and the service provider is a fiduciary or provides contract administrator, consulting, custodial, investment advisory, investment management, broker, or recordkeeping services, answer the following questions for (a) each source from whom the service provider received \$1,000 or more in indirect compensation and (b) each source for whom the service provider gave you a formula used to determine the indirect compensation instead of an amount or estimated amount of the indirect compensation. Complete as many entries as needed to report the required information for each source.

(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	
(a) Enter service provider name as it appears on line 2	(b) Service Codes (see instructions)	(c) Enter amount of indirect compensation
(d) Enter name and EIN (address) of source of indirect compensation	(e) Describe the indirect compensation, including any formula used to determine the service provider's eligibility for or the amount of the indirect compensation.	

Part II Service Providers Who Fail or Refuse to Provide Information

4 Provide, to the extent possible, the following information for each service provider who failed or refused to provide the information necessary to complete this Schedule.

(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
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(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide
(a) Enter name and EIN or address of service provider (see instructions)	(b) Nature of Service Code(s)	(c) Describe the information that the service provider failed or refused to provide

Part III Termination Information on Accountants and Enrolled Actuaries (see instructions)
(complete as many entries as needed)

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

a Name:	b EIN:
c Position:	
d Address:	e Telephone:

Explanation:

SCHEDULE H (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Financial Information This schedule is required to be filed under section 104 of the Employee Retirement Income Security Act of 1974 (ERISA), and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	OMB No. 1210-0110 2024 This Form is Open to Public Inspection
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024	
A Name of plan DICAR, INC. 401(K) PLAN	B Three-digit plan number (PN) ▶ 003
C Plan sponsor's name as shown on line 2a of Form 5500 DICAR, INC.	D Employer Identification Number (EIN) 22-1894940

Part I	Asset and Liability Statement
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1 Current value of plan assets and liabilities at the beginning and end of the plan year. Combine the value of plan assets held in more than one trust. Report the value of the plan's interest in a commingled fund containing the assets of more than one plan on a line-by-line basis unless the value is reportable on lines 1c(9) through 1c(14). Do not enter the value of that portion of an insurance contract which guarantees, during this plan year, to pay a specific dollar benefit at a future date. **Round off amounts to the nearest dollar.** MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 1b(1), 1b(2), 1c(8), 1g, 1h, and 1i. CCTs, PSAs, and 103-12 IEs also do not complete lines 1d and 1e. See instructions.

		(a) Beginning of Year	(b) End of Year
Assets			
a Total noninterest-bearing cash	1a	0	0
b Receivables (less allowance for doubtful accounts):			
(1) Employer contributions	1b(1)	0	0
(2) Participant contributions	1b(2)	0	0
(3) Other	1b(3)	599	0
c General investments:			
(1) Interest-bearing cash (include money market accounts & certificates of deposit)	1c(1)	0	0
(2) U.S. Government securities	1c(2)	0	0
(3) Corporate debt instruments (other than employer securities):			
(A) Preferred	1c(3)(A)	0	0
(B) All other	1c(3)(B)	0	0
(4) Corporate stocks (other than employer securities):			
(A) Preferred	1c(4)(A)	0	0
(B) Common	1c(4)(B)	0	0
(5) Partnership/joint venture interests	1c(5)	0	0
(6) Real estate (other than employer real property)	1c(6)	0	0
(7) Loans (other than to participants)	1c(7)	0	0
(8) Participant loans	1c(8)	295258	250232
(9) Value of interest in common/collective trusts	1c(9)	0	0
(10) Value of interest in pooled separate accounts	1c(10)	0	0
(11) Value of interest in master trust investment accounts	1c(11)	0	0
(12) Value of interest in 103-12 investment entities	1c(12)	0	0
(13) Value of interest in registered investment companies (e.g., mutual funds)	1c(13)	5572398	5724507
(14) Value of funds held in insurance company general account (unallocated contracts)	1c(14)	791502	742731
(15) Other	1c(15)	0	0

1d Employer-related investments:		(a) Beginning of Year	(b) End of Year
(1) Employer securities.....	1d(1)	0	0
(2) Employer real property.....	1d(2)	0	0
e Buildings and other property used in plan operation.....	1e	0	0
f Total assets (add all amounts in lines 1a through 1e).....	1f	6659757	6717470
Liabilities			
g Benefit claims payable.....	1g	0	0
h Operating payables.....	1h	5	2
i Acquisition indebtedness.....	1i	0	0
j Other liabilities.....	1j	0	0
k Total liabilities (add all amounts in lines 1g through 1j).....	1k	5	2
Net Assets			
l Net assets (subtract line 1k from line 1f).....	1l	6659752	6717468

Part II Income and Expense Statement

2 Plan income, expenses, and changes in net assets for the year. Include all income and expenses of the plan, including any trust(s) or separately maintained fund(s) and any payments/receipts to/from insurance carriers. Round off amounts to the nearest dollar. MTIAs, CCTs, PSAs, and 103-12 IEs do not complete lines 2a, 2b(1)(E), 2e, 2f, and 2g.

Income		(a) Amount	(b) Total
a Contributions:			
(1) Received or receivable in cash from: (A) Employers.....	2a(1)(A)	162239	
(B) Participants.....	2a(1)(B)	211997	
(C) Others (including rollovers).....	2a(1)(C)	0	
(2) Noncash contributions.....	2a(2)	0	
(3) Total contributions. Add lines 2a(1)(A) , (B) , (C) , and line 2a(2)	2a(3)		374236
b Earnings on investments:			
(1) Interest:			
(A) Interest-bearing cash (including money market accounts and certificates of deposit).....	2b(1)(A)	0	
(B) U.S. Government securities.....	2b(1)(B)	0	
(C) Corporate debt instruments.....	2b(1)(C)	0	
(D) Loans (other than to participants).....	2b(1)(D)	0	
(E) Participant loans.....	2b(1)(E)	20099	
(F) Other.....	2b(1)(F)	14205	
(G) Total interest. Add lines 2b(1)(A) through (F)	2b(1)(G)		34304
(2) Dividends:			
(A) Preferred stock.....	2b(2)(A)	0	
(B) Common stock.....	2b(2)(B)	0	
(C) Registered investment company shares (e.g. mutual funds).....	2b(2)(C)	178134	
(D) Total dividends. Add lines 2b(2)(A) , (B) , and (C)	2b(2)(D)		178134
(3) Rents.....	2b(3)		0
(4) Net gain (loss) on sale of assets:			
(A) Aggregate proceeds.....	2b(4)(A)	0	
(B) Aggregate carrying amount (see instructions).....	2b(4)(B)	0	
(C) Subtract line 2b(4)(B) from line 2b(4)(A) and enter result.....	2b(4)(C)		
(5) Unrealized appreciation (depreciation) of assets:			
(A) Real estate.....	2b(5)(A)	0	
(B) Other.....	2b(5)(B)	0	
(C) Total unrealized appreciation of assets. Add lines 2b(5)(A) and (B)	2b(5)(C)		

		(a) Amount	(b) Total
(6) Net investment gain (loss) from common/collective trusts	2b(6)		0
(7) Net investment gain (loss) from pooled separate accounts	2b(7)		0
(8) Net investment gain (loss) from master trust investment accounts	2b(8)		0
(9) Net investment gain (loss) from 103-12 investment entities	2b(9)		0
(10) Net investment gain (loss) from registered investment companies (e.g., mutual funds)	2b(10)		496360
c Other income	2c		0
d Total income. Add all income amounts in column (b) and enter total	2d		1083034

Expenses

e Benefit payment and payments to provide benefits:			
(1) Directly to participants or beneficiaries, including direct rollovers	2e(1)	941831	
(2) To insurance carriers for the provision of benefits	2e(2)	0	
(3) Other	2e(3)	0	
(4) Total benefit payments. Add lines 2e(1) through (3)	2e(4)		941831
f Corrective distributions (see instructions)	2f		0
g Certain deemed distributions of participant loans (see instructions)	2g		65342
h Interest expense	2h		0
i Administrative expenses:			
(1) Salaries and allowances	2i(1)	0	
(2) Contract administrator fees	2i(2)	0	
(3) Recordkeeping fees	2i(3)	17746	
(4) IQPA audit fees	2i(4)	0	
(5) Investment advisory and investment management fees	2i(5)	399	
(6) Bank or trust company trustee/custodial fees	2i(6)	0	
(7) Actuarial fees	2i(7)	0	
(8) Legal fees	2i(8)	0	
(9) Valuation/appraisal fees	2i(9)	0	
(10) Other trustee fees and expenses	2i(10)	0	
(11) Other expenses	2i(11)	0	
(12) Total administrative expenses. Add lines 2i(1) through (11)	2i(12)		18145
j Total expenses. Add all expense amounts in column (b) and enter total	2j		1025318

Net Income and Reconciliation

k Net income (loss). Subtract line 2j from line 2d	2k		57716
l Transfers of assets:			
(1) To this plan	2l(1)		0
(2) From this plan	2l(2)		0

Part III Accountant's Opinion

3 Complete lines 3a through 3c if the opinion of an independent qualified public accountant is attached to this Form 5500. Complete line 3d if an opinion is not attached.

a The attached opinion of an independent qualified public accountant for this plan is (see instructions):

(1) Unmodified (2) Qualified (3) Disclaimer (4) Adverse

b Check the appropriate box(es) to indicate whether the IQPA performed an ERISA section 103(a)(3)(C) audit. Check both boxes (1) and (2) if the audit was performed pursuant to both 29 CFR 2520.103-8 and 29 CFR 2520.103-12(d). Check box (3) if pursuant to neither.

(1) DOL Regulation 2520.103-8 (2) DOL Regulation 2520.103-12(d) (3) neither DOL Regulation 2520.103-8 nor DOL Regulation 2520.103-12(d).

c Enter the name and EIN of the accountant (or accounting firm) below:

(1) Name: **EISNERAMPER LLP**

(2) EIN: **87-1363769**

d The opinion of an independent qualified public accountant is **not attached** as part of Schedule H because:

(1) This form is filed for a CCT, PSA, DCG or MTIA. (2) It will be attached to the next Form 5500 pursuant to 29 CFR 2520.104-50.

Part IV Compliance Questions

4 CCTs and PSAs do not complete Part IV. MTIAs, 103-12 IEs, and GIAs do not complete lines 4a, 4e, 4f, 4g, 4h, 4k, 4m, 4n, or 5. 103-12 IEs also do not complete lines 4j and 4l. MTIAs also do not complete line 4l. DCGs do not complete lines 4e, 4f, 4k, 4l, and 5, and DCGs generally complete the rest of Part IV collectively for all plans in the DCG, except as otherwise provided (see instructions).

During the plan year:

	Yes	No	Amount
a Was there a failure to transmit to the plan any participant contributions within the time period described in 29 CFR 2510.3-102? Continue to answer "Yes" for any prior year failures until fully corrected. (See instructions and DOL's Voluntary Fiduciary Correction Program.)		X	
b Were any loans by the plan or fixed income obligations due the plan in default as of the close of the plan year or classified during the year as uncollectible? Disregard participant loans secured by participant's account balance. (Attach Schedule G (Form 5500) Part I if "Yes" is checked.)		X	
c Were any leases to which the plan was a party in default or classified during the year as uncollectible? (Attach Schedule G (Form 5500) Part II if "Yes" is checked.)		X	
d Were there any nonexempt transactions with any party-in-interest? (Do not include transactions reported on line 4a. Attach Schedule G (Form 5500) Part III if "Yes" is checked.)		X	
e Was this plan covered by a fidelity bond?	X		750000
f Did the plan have a loss, whether or not reimbursed by the plan's fidelity bond, that was caused by fraud or dishonesty?		X	
g Did the plan hold any assets whose current value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
h Did the plan receive any noncash contributions whose value was neither readily determinable on an established market nor set by an independent third party appraiser?		X	
i Did the plan have assets held for investment? (Attach schedule(s) of assets if "Yes" is checked, and see instructions for format requirements.)	X		
j Were any plan transactions or series of transactions in excess of 5% of the current value of plan assets? (Attach schedule of transactions if "Yes" is checked and see instructions for format requirements.)		X	
k Were all the plan assets either distributed to participants or beneficiaries, transferred to another plan, or brought under the control of the PBGC?		X	
l Has the plan failed to provide any benefit when due under the plan?		X	
m If this is an individual account plan, was there a blackout period? (See instructions and 29 CFR 2520.101-3.)		X	
n If 4m was answered "Yes," check the "Yes" box if you either provided the required notice or one of the exceptions to providing the notice applied under 29 CFR 2520.101-3.			

5a Has a resolution to terminate the plan been adopted during the plan year or any prior plan year? Yes No
If "Yes," enter the amount of any plan assets that reverted to the employer this year _____.

5b If, during this plan year, any assets or liabilities were transferred from this plan to another plan(s), identify the plan(s) to which assets or liabilities were transferred. (See instructions.)

5b(1) Name of plan(s)	5b(2) EIN(s)	5b(3) PN(s)

5c Was the plan a defined benefit plan covered under the PBGC insurance program at any time during this plan year? (See ERISA section 4021 and instructions.) Yes No Not determined

If "Yes" is checked, enter the My PAA confirmation number from the PBGC premium filing for this plan year _____.

SCHEDULE R (Form 5500) <small>Department of the Treasury Internal Revenue Service</small> <small>Department of Labor Employee Benefits Security Administration</small> <small>Pension Benefit Guaranty Corporation</small>	Retirement Plan Information This schedule is required to be filed under sections 104 and 4065 of the Employee Retirement Income Security Act of 1974 (ERISA) and section 6058(a) of the Internal Revenue Code (the Code). ▶ File as an attachment to Form 5500.	<small>OMB No. 1210-0110</small> 2024 This Form is Open to Public Inspection.
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For calendar plan year 2024 or fiscal plan year beginning 01/01/2024 and ending 12/31/2024

A Name of plan <u>DICAR, INC. 401(K) PLAN</u>	B Three-digit plan number (PN) ▶	<u>003</u>
C Plan sponsor's name as shown on line 2a of Form 5500 <u>DICAR, INC.</u>	D Employer Identification Number (EIN) <u>22-1894940</u>	

Part I	Distributions
---------------	----------------------

All references to distributions relate only to payments of benefits during the plan year.

1 Total value of distributions paid in property other than in cash or the forms of property specified in the instructions.....	1	
2 Enter the EIN(s) of payor(s) who paid benefits on behalf of the plan to participants or beneficiaries during the year (if more than two, enter EINs of the two payors who paid the greatest dollar amounts of benefits): EIN(s): <u>04-6568107</u>		
Profit-sharing plans, ESOPs, and stock bonus plans, skip line 3.		
3 Number of participants (living or deceased) whose benefits were distributed in a single sum, during the plan year	3	

Part II	Funding Information (If the plan is not subject to the minimum funding requirements of section 412 of the Internal Revenue Code or ERISA section 302, skip this Part.)
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4 Is the plan administrator making an election under Code section 412(d)(2) or ERISA section 302(d)(2)?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
If the plan is a defined benefit plan, go to line 8.			
5 If a waiver of the minimum funding standard for a prior year is being amortized in this plan year, see instructions and enter the date of the ruling letter granting the waiver. Date: Month _____ Day _____ Year _____ If you completed line 5, complete lines 3, 9, and 10 of Schedule MB and do not complete the remainder of this schedule.			
6 a Enter the minimum required contribution for this plan year (include any prior year accumulated funding deficiency not waived)	6a		
b Enter the amount contributed by the employer to the plan for this plan year	6b		
c Subtract the amount in line 6b from the amount in line 6a. Enter the result (enter a minus sign to the left of a negative amount).....	6c		
If you completed line 6c, skip lines 8 and 9.			
7 Will the minimum funding amount reported on line 6c be met by the funding deadline?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A
8 If a change in actuarial cost method was made for this plan year pursuant to a revenue procedure or other authority providing automatic approval for the change or a class ruling letter, does the plan sponsor or plan administrator agree with the change?	<input type="checkbox"/> Yes	<input type="checkbox"/> No	<input type="checkbox"/> N/A

Part III	Amendments
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9 If this is a defined benefit pension plan, were any amendments adopted during this plan year that increased or decreased the value of benefits? If yes, check the appropriate box. If no, check the "No" box.....	<input type="checkbox"/> Increase	<input type="checkbox"/> Decrease	<input type="checkbox"/> Both	<input type="checkbox"/> No
--	-----------------------------------	-----------------------------------	-------------------------------	-----------------------------

Part IV	ESOPs (see instructions). If this is not a plan described under section 409(a) or 4975(e)(7) of the Internal Revenue Code, skip this Part.
----------------	---

10 Were unallocated employer securities or proceeds from the sale of unallocated securities used to repay any exempt loan?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
11 a Does the ESOP hold any preferred stock?	<input type="checkbox"/> Yes	<input type="checkbox"/> No
b If the ESOP has an outstanding exempt loan with the employer as lender, is such loan part of a "back-to-back" loan? (See instructions for definition of "back-to-back" loan.)	<input type="checkbox"/> Yes	<input type="checkbox"/> No
12 Does the ESOP hold any stock that is not readily tradable on an established securities market?	<input type="checkbox"/> Yes	<input type="checkbox"/> No

Part V Additional Information for Multiemployer Defined Benefit Pension Plans

13 Enter the following information for each employer that (1) contributed more than 5% of total contributions to the plan during the plan year or (2) was one of the top-ten highest contributors (measured in dollars). See instructions. Complete as many entries as needed to report all applicable employers.

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

a Name of contributing employer _____

b EIN _____ **c** Dollar amount contributed by employer _____

d Date collective bargaining agreement expires (If employer contributes under more than one collective bargaining agreement, check box and see instructions regarding required attachment. Otherwise, enter the applicable date.) Month _____ Day _____ Year _____

e Contribution rate information (If more than one rate applies, check this box and see instructions regarding required attachment. Otherwise, complete lines 13e(1) and 13e(2).)

(1) Contribution rate (in dollars and cents) _____

(2) Base unit measure: Hourly Weekly Unit of production Other (specify): _____

14 Enter the number of deferred vested and retired participants (inactive participants), as of the beginning of the plan year, whose contributing employer is no longer making contributions to the plan for:

a The current plan year. Check the box to indicate the counting method used to determine the number of inactive participants: <input type="checkbox"/> last contributing employer <input type="checkbox"/> alternative <input type="checkbox"/> reasonable approximation (see instructions for required attachment).....	14a	
b The plan year immediately preceding the current plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14b	
c The second preceding plan year. <input type="checkbox"/> Check the box if the number reported is a change from what was previously reported (see instructions for required attachment).....	14c	

15 Enter the ratio of the number of participants under the plan on whose behalf no employer had an obligation to make an employer contribution during the current plan year to:

a The corresponding number for the plan year immediately preceding the current plan year	15a	
b The corresponding number for the second preceding plan year	15b	

16 Information with respect to any employers who withdrew from the plan during the preceding plan year:

a Enter the number of employers who withdrew during the preceding plan year	16a	
b If line 16a is greater than 0, enter the aggregate amount of withdrawal liability assessed or estimated to be assessed against such withdrawn employers.....	16b	

17 If assets and liabilities from another plan have been transferred to or merged with this plan during the plan year, check box and see instructions regarding supplemental information to be included as an attachment

Part VI Additional Information for Single-Employer and Multiemployer Defined Benefit Pension Plans

18 If any liabilities to participants or their beneficiaries under the plan as of the end of the plan year consist (in whole or in part) of liabilities to such participants and beneficiaries under two or more pension plans as of immediately before such plan year, check box and see instructions regarding supplemental information to be included as an attachment

19 If the total number of participants is 1,000 or more, complete lines (a) and (b):

a Enter the percentage of plan assets held as:
 Public Equity: _____% Private Equity: _____% Investment-Grade Debt and Interest Rate Hedging Assets: _____%
 High-Yield Debt: _____% Real Assets: _____% Cash or Cash Equivalents: _____% Other: _____%

b Provide the average duration of the Investment-Grade Debt and Interest Rate Hedging Assets:
 0-5 years 5-10 years 10-15 years 15 years or more

20 PBGC missed contribution reporting requirements. If this is a multiemployer plan or a single-employer plan that is not covered by PBGC, skip line 20.

a Is the amount of unpaid minimum required contributions for all years from Schedule SB (Form 5500) line 40 greater than zero? Yes No

b If line 20a is "Yes," has PBGC been notified as required by ERISA sections 4043(c)(5) and/or 303(k)(4)? Check the applicable box:
 Yes.
 No. Reporting was waived under 29 CFR 4043.25(c)(2) because contributions equal to or exceeding the unpaid minimum required contribution were made by the 30th day after the due date.
 No. The 30-day period referenced in 29 CFR 4043.25(c)(2) has not yet ended, and the sponsor intends to make a contribution equal to or exceeding the unpaid minimum required contribution by the 30th day after the due date.
 No. Other. Provide explanation: _____

Part VII IRS Compliance Questions

21a Does the plan satisfy the coverage and nondiscrimination tests of Code sections 410(b) and 401(a)(4) by combining this plan with any other plans under the permissive aggregation rules? Yes No

21b If this is a Code section 401(k) plan, check all boxes that apply to indicate how the plan is intended to satisfy the nondiscrimination requirements for employee deferrals and employer matching contributions (as applicable) under Code sections 401(k)(3) and 401(m)(2).
 Design-based safe harbor method
 "Prior year" ADP test
 "Current year" ADP test
 N/A

22 If the plan sponsor is an adopter of a pre-approved plan that received a favorable IRS Opinion Letter, enter the date of the Opinion Letter 06 / 30 / 2020 (MM/DD/YYYY) and the Opinion Letter serial number Q702438A.

THE DICAR GROUP
COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

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THE DICAR GROUP

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Independent Accountants' Review Report

To the Board of Directors and Partners
of: The Dicar Group:

We have reviewed the accompanying combined and consolidated financial statements of The Dicar Group (the "Company"), which comprise the combined and consolidated balance sheets as of September 30, 2024 and 2023, and the related combined and consolidated statements of operations, changes in owners' equity, comprehensive (loss) income and cash flows for the years then ended, and the related notes to the combined and consolidated financial statements (collectively referred to as the "financial statements"). A review includes primarily applying analytical procedures to management's financial data and making inquiries of company management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement whether due to fraud or error.

Accountants' Responsibility

Our responsibility is to conduct the review engagement in accordance with Statements on Standards for Accounting and Review Services promulgated by the Accounting and Review Services Committee of the AICPA. Those standards require us to perform procedures to obtain limited assurance as a basis for reporting whether we are aware of any material modifications that should be made to the financial statements for them to be in accordance with accounting principles generally accepted in the United States of America. We believe that the results of our procedures provide a reasonable basis for our conclusion.

We are required to be independent of the Company and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements related to our review.

Accountants' Conclusion

Based on our reviews, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in accordance with accounting principles generally accepted in the United States of America.

Substantial Doubt About the Entity's Ability to Continue as a Going Concern

The accompanying financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 2, the Company has suffered recurring losses from operations and has stated that substantial doubt exists about the Company's ability to continue as a going concern. Management's evaluation of the events and conditions and management's plans regarding these matters are also described in Note 2. The financial statements do not include any adjustments that might result from the outcome of this uncertainty. Our conclusion is not modified with respect to this matter.

[SIGNED CBIZ CPAs P.C.]

Melville, NY
AUGUST XX, 2025

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THE DICAR GROUP

COMBINED AND CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2024 AND 2023

	2024	2023
Assets		
Current Assets		
Cash and cash equivalents	\$ 1,114,784	\$ 788,462
Accounts receivable, net of allowance for credit losses of \$78,312 and \$55,272, respectively	3,103,228	3,288,721
Inventories	2,324,723	2,565,576
ERC receivable	--	1,404,725
Prepaid expenses	979,769	634,090
Total Current Assets	7,522,504	8,681,574
Property and Equipment, Net	1,822,357	3,796,493
Operating Right-of-Use Asset	2,166,308	2,455,133
Financing Right-of-Use Asset, Net	11,097	28,278
Other Assets		
Cash surrender value, officers' life insurance, net	37,811	411,566
Security deposits	102,559	102,559
Equity method investment	50,330	13,114
Due from affiliate	37,131	37,131
Due from related party	212,648	364,152
Deferred loan costs	347	72,569
Other receivables	251,218	146,679
Other assets	14,795	3,979
Total Other Assets	706,839	1,151,749
Total Assets	\$ 12,229,105	\$ 16,113,227

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED BALANCE SHEETS

SEPTEMBER 30, 2024 AND 2023

	2024	2023
Liabilities and Owners' Equity		
Current Liabilities		
Accounts payable	\$ 2,200,691	\$ 3,000,455
Bank overdraft	--	186,686
Accrued expenses	1,449,307	714,295
Payroll payable	464,188	229,471
Sales tax payable	90,453	28,245
Income tax payable	3,990	5,446
Note payable	2,484,453	2,512,094
Current maturities of long-term debt	211,144	225,839
Current maturities of operating lease liabilities	275,140	253,450
Current maturities of finance lease liabilities	109,173	62,588
Board fees payable - related parties	39,000	--
Customer deposits	65,546	--
Total Current Liabilities	7,393,085	7,218,569
Other Liabilities		
Long-term debt, less current maturities	330,077	541,221
Operating lease liabilities, less current maturities	1,951,188	2,226,328
Finance lease liabilities, less current maturities	109,035	217,948
Note payable, stockholder	--	2,044,974
Board fees payable - related parties	--	1,055,834
Total Other Liabilities	2,390,300	6,086,305
Total Liabilities	9,783,385	13,304,874
Owners' Equity		
Common stock - no par value: 1,000 Class A voting shares authorized; 500 shares issued and outstanding	--	--
Common stock - no par value: 99,000 Class B non-voting shares authorized; 49,500 shares issued and outstanding	--	--
Additional paid in capital	2,160,107	64,585
Accumulated other comprehensive loss	(717,690)	(779,026)
Retained earnings (deficit)	446,013	(6,655,778)
Partners' capital	557,290	10,178,572
Total Owners' Equity	2,445,720	2,808,353
Total Liabilities and Owners' Equity	\$ 12,229,105	\$ 16,113,227

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED STATEMENTS OF OPERATIONS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Revenue, Net	\$ 22,600,062	\$ 23,937,871
Cost of Revenue	17,635,565	17,091,050
Gross Profit	4,964,497	6,846,821
Operating Expenses		
Selling, general and administrative expenses	7,893,329	6,948,591
Loss from Operations	(2,928,832)	(101,770)
Other Expense (Income)		
Interest expense	853,648	739,103
Gain on disposal of property and equipment	--	(5,542)
(Gain) loss on investment	(37,216)	14,684
Forgiveness of debt	(1,103,334)	--
ERC income	--	(1,404,725)
Interest and dividend income	(157,713)	(22,251)
Total Other Income	(444,615)	(678,731)
Net (Loss) Income Before Income Tax Expense	(2,484,217)	576,961
Income Tax Expense	35,274	3,777
Net (Loss) Income	\$ (2,519,491)	\$ 573,184

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED STATEMENTS OF COMPREHENSIVE (LOSS) INCOME

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	<u>2024</u>	<u>2023</u>
Net (Loss) Income	\$ (2,519,491)	\$ 573,184
Other Comprehensive Income		
Foreign currency translation adjustment	<u>61,336</u>	<u>102,377</u>
Total Comprehensive (Loss) Income	<u>\$ (2,458,155)</u>	<u>\$ 675,561</u>

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED STATEMENTS OF CHANGES IN OWNERS' EQUITY

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	Common Stock Class A Voting	Common Stock Class B Non-Voting	Additional Paid In Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Deficit)	Partners' Capital	Total Owners' Equity
Balance - September 30, 2022	\$ --	\$ --	\$ 64,585	\$ (881,403)	\$ (7,143,736)	\$ 10,103,931	\$ 2,143,377
Net income	--	--	--	--	487,958	85,226	573,184
Comprehensive income	--	--	--	102,377	--	--	102,377
Distributions	--	--	--	--	--	(10,585)	(10,585)
Balance - September 30, 2023	--	--	64,585	(779,026)	(6,655,778)	10,178,572	2,808,353
Net income (loss)	--	--	--	--	7,101,791	(9,621,282)	(2,519,491)
Comprehensive income	--	--	--	61,336	--	--	61,336
Contributions	--	--	2,095,522	--	--	--	2,095,522
Balance - September 30, 2024	\$ --	\$ --	\$ 2,160,107	\$ (717,690)	\$ 446,013	\$ 557,290	\$ 2,445,720

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED STATEMENTS OF CASH FLOWS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Cash Flows from Operating Activities		
Net (loss) income	\$ (2,519,491)	\$ 573,184
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Depreciation and amortization	784,026	541,716
Loss on abandonment of property and equipment	1,344,532	--
Amortization of operating right-of-use asset	288,825	185,759
Amortization of financing right-of-use asset	17,181	17,181
Amortization of deferred loan costs	72,222	66,667
Bad debts	64,272	5,298
Gain on disposal of property and equipment	--	(5,542)
(Income) loss from equity method investment	(37,216)	14,684
ERC income	--	(1,404,725)
Imputed interest on note payable, shareholder	50,548	144,580
Forgiveness of debt	(1,103,334)	--
Foreign currency exchange loss	61,336	101,974
Changes in operating assets and liabilities:		
Accounts receivable, net	121,221	552,030
Inventories	240,853	659,424
ERC receivable	1,404,725	--
Prepaid expenses	(345,679)	(330,090)
Cash surrender value, officers' life insurance, net	373,755	(6,973)
Security deposits	--	(27,559)
Other receivables	(104,539)	(146,679)
Other assets	(10,816)	278,223
Accounts payable	(799,764)	(1,078,222)
Bank overdraft	(186,686)	186,686
Accrued expenses	735,012	714,295
Payroll payable	234,717	229,471
Sales tax payable	62,208	28,245
Income tax payable	(1,456)	44
Customer deposits	65,546	--
Board fees payable - related parties	86,500	53,834
Operating lease liabilities	(253,450)	(161,114)
Total Adjustments	3,164,539	619,207
Net Cash Provided by Operating Activities	\$ 645,048	\$ 1,192,391

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

COMBINED AND CONSOLIDATED STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

	2024	2023
Cash Flows from Investing Activities		
Purchases of property and equipment	\$ (29,897)	\$ (5,000)
Deposits on property and equipment	(124,525)	(549,853)
Proceeds from sale of property and equipment	--	5,542
Payments to affiliate	--	(37,131)
Payments to related entity	<u>151,504</u>	<u>(151,504)</u>
Net Cash Used in Investing Activities	<u>(2,918)</u>	<u>(737,946)</u>
Cash Flows from Financing Activities		
Repayments of note payable, net	(27,641)	(574,010)
Principal repayments of long-term debt	(225,839)	(208,690)
Principal repayments on financing lease liabilities	(62,328)	(80,456)
Distributions	<u>--</u>	<u>(10,585)</u>
Net Cash Used in Financing Activities	<u>(315,808)</u>	<u>(873,741)</u>
Net Increase (Decrease) in Cash and Cash Equivalents	326,322	(419,296)
Cash and Cash Equivalents - Beginning	<u>788,462</u>	<u>1,207,758</u>
Cash and Cash Equivalents - Ending	<u>\$ 1,114,784</u>	<u>\$ 788,462</u>
Supplemental Disclosures of Cash Flow Information		
Cash paid during the years for:		
Interest	\$ 636,847	\$ 621,888
Taxes	\$ 35,274	\$ 3,777
Non-cash transactions:		
The Company acquired machinery and equipment in connection with long-term debt	\$ --	\$ 45,283
The Company reclassified amounts to additional paid in capital in connection with forgiveness of note payable, stockholder	\$ 2,095,522	\$ --

See accompanying notes and independent accountants' review report.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 1 - ORGANIZATION AND NATURE OF BUSINESS

The Dicar Group (the “Company”) is primarily engaged in the manufacturing of replacement parts and supply items for the corrugated industry which are distributed worldwide from its locations in Texas, New Jersey and the Netherlands.

Dicar Europe, B.V. is primarily engaged in the distribution of replacement parts and supply items for the corrugated industry throughout Europe.

Dithane Ltd., is an investment corporation, incorporated in the British Virgin Islands.

Robud owns certain intellectual property that Dicar, Inc. and subsidiaries utilize in their operations and is the lessor for certain office and manufacturing space utilized by Dicar, Inc. and subsidiaries.

In September 2024, certain stockholders of Dicar Inc. entered into a stock purchase agreement to sell and transfer certain Class A voting common stock and Class B non-voting common stock. In addition, certain stockholders entered into a separation agreement for release of certain debt with Dicar Inc.

NOTE 2 – GOING CONCERN

At September 30, 2024 and 2023, The Company reported a combined and consolidated losses from operations of \$(2,928,832) and \$(101,770), respectively. In addition, the Company currently does not have a line of credit and has violated certain financial covenants (Note8). While the Company has been successful in raising capital to help fund these losses, there is no assurance that such resources will be available in the future should the Company continue to incur losses. These circumstances raise substantial doubt about the Company’s ability to continue as a going concern.

Management has engaged in several actions to mitigate the causes for substantial doubt that the Company will continue as a going concern and meet its operating expenses for the next twelve months. These actions focus on reducing costs by moving their New Jersey facility to a Texas facility where labor, operating and selling and general and administrative expenses are cheaper. In addition, the Company has received approximately \$976,000 additional advances from certain shareholders for Dicar Inc. Management believes that these actions will enable the Company to attain profitability and continue as a going concern for the next twelve months.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 2 – GOING CONCERN (CONTINUED)

Although management continues to pursue these plans, there is no guarantee that the Company will be successful. There is still substantial doubt about the Company’s ability to continue as a going concern within one year after the date that the financial statements are issued. The combined and consolidated financial statements do not include any adjustment that might result should the Company be unable to continue as a going concern.

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

PRINCIPLES OF COMBINATION AND CONSOLIDATION

The combined and consolidated financial statements of The Dicar Group include the accounts of the following companies:

Dicar Inc. (“Dicar”)
Dicar Europe B.V. (“Europe”)
Dithane Ltd (“Dithane”)
Robud (“Robud”)

Europe and Dithane are wholly owned subsidiaries of Dicar. Robud is an affiliate under common control. All are collectively referred to as the “Company”. All significant intercompany transactions and balances have been eliminated in combination and consolidation.

BASIS OF PRESENTATION

The accompanying combined and consolidated financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America (“GAAP”).

VARIABLE INTEREST ENTITIES

The Company has elected to apply Accounting Standards Update (ASU) 2018-17, Consolidation: Targeted Improvements to Related Party Guidance for Variable Interest Entities. Under ASU 2018-17, the accounting alternative allows a reporting entity to forego the consideration of whether a commonly controlled legal entity is a variable interest entity (VIE) and if so, whether the reporting entity is the “primary beneficiary” under accounting rules that require consolidation of the VIE in the reporting entity’s financial statements.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

CASH AND CASH EQUIVALENTS

The Company considers all highly liquid investments, with a maturity of three months or less from the date of purchase to be cash equivalents.

ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES

The Company follows (FASB ASC 326), Current Expected Credit Losses. Under the standard, disclosures are required to provide users of the financial statements with useful information in analyzing an entity's exposure to credit risk and the measurement of credit losses. Financial assets held by the Company that are subject to the guidance in FASB ASC 326 are accounts receivable. The Company adopted the standard effective January 1, 2023. The impact of the adoption was not considered material to the financial statements and primarily resulted in new/enhanced disclosures only.

The Company writes off receivables when there is information that indicates the debtor is facing significant financial difficulty and there is no possibility of recovery. If any recoveries are made from any accounts previously written off, they will be recognized in income or an offset to credit loss expense in the year of recovery, in accordance with the entity's accounting policy election.

The Company has a \$1,500 credit insurance policy on certain domestic accounts receivable with a 90% insured percentage. The Company also has a \$1,500 credit insurance policy on certain foreign receivables with a 95% insured percentage. The policies cover specific clients from non-payment.

Accounts receivable are uncollateralized customer obligations due under normal trade terms. Accounts receivables are stated at the amount billed to the customer. The carrying amount of accounts receivable is reduced by an allowance for credit losses that reflects management's best estimate of the amounts that will not be collected. Management individually reviews all the accounts receivable balances that exceed 90 days from invoice date and based on an assessment of current creditworthiness and economic conditions, estimates the portion, if any, of the balance that will not be collected. At September 30, 2024, and 2023, management has estimated and recorded an allowance for credit losses of \$78,312 and \$55,272, respectively.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

ACCOUNTS RECEIVABLE AND ALLOWANCE FOR CREDIT LOSSES (CONTINUED)

Accounts receivable at October 1, 2022, was \$3,846,000.

The changes in allowance for credit losses for accounts receivable for the years ended September 30, 2024, and 2023 are as follows:

Balance at October 1, 2022	\$ 54,902
Increase in provision for credit losses	<u>370</u>
Balance at September 30, 2023	55,272
Increase in provision for credit losses	<u>23,040</u>
Balance at September 30, 2024	<u>\$ 78,312</u>

CONCENTRATIONS OF CREDIT AND MARKET RISK

Financial instruments that potentially subject the Company to significant concentrations of credit or market risk consist primarily of cash and accounts receivable.

The Company places its cash deposits with financial institutions that at times may be uninsured or in deposit accounts that exceed the Federal Deposit Insurance Corporation insurance limits. The Company has not experienced any losses in such accounts and management believes the Company is not exposed to any significant credit risk.

INVESTMENTS

The Company follows Accounting Standards Update (“ASU”) 2016-01 Financial Instruments — Overall: Recognition and Measurement of Financial Assets and Financial Liabilities, which requires entities to measure all equity investments that do not result in consolidation and are not accounted for under the equity method of accounting at fair value and recognize any changes in earnings.

For the Company’s other investments, which are equity securities without readily determinable fair values and do not qualify for the equity method of accounting, the Company has elected the measurement alternative pursuant to ASU 2016-01 under which these investments are measured at cost minus impairment, if any, plus or minus changes resulting from observable price changes in orderly transactions for the identical or a similar investment of the same issuer. A qualitative assessment for impairment is required for equity investments without readily determinable fair values.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVESTMENTS (CONTINUED)

Investments in private companies in which the Company owns 20% to 50% of the entity and has the ability to influence, but not control, the operating or financial decisions of the investee are accounted for using the equity method of accounting. Under this method, the investment is initially recorded at cost and subsequently adjusted for the Company's share of the earnings or losses of the investee and cash contributions and distributions. Equity earnings and losses are allocated based on the Company's ownership or economic interest in the investee.

Management reviews equity method investments for impairment whenever indicators are present, which suggest the carrying value of an investment may not be recoverable. Indicators of impairment include: significant, sustained declines in an investee's revenues, earnings and cash flow trends; adverse market conditions of the investee's industry or geographic area; the investee's inability to execute its operating plan; the investee's inability to continue operations, measured by several items, including liquidity; and other factors. Once an impairment indicator is identified, management uses considerable judgment to determine if the decline in value is other than temporary, in which case the equity investment is written down to its estimated fair value.

When the carrying value of an investment accounted for by the equity method of accounting is reduced to zero, no further losses are recorded unless the Company has guaranteed the obligations of the investee or the Company has committed additional funding. If the investee subsequently reports income, the Company will not record its share of such income until it equals the amount of the Company's share of losses not previously recognized.

The Company has a 50% ownership interest in Alcor Manufacturing, Inc. ("Alcor"). In compliance with the equity method of recording investments, the Company has included its share of Alcor's net income (loss) of \$37,216 and \$(14,684) in other expense (income) in the accompanying combined and consolidated statements of operations for the years ended September 30, 2024 and 2023, respectively. The resulting investment balance as of September 30, 2024 and 2023 was \$50,330 and 13,114, respectively.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INVENTORY

The Company's inventory is composed of raw materials; work-in-process and finished goods. Inventory is stated at lower of cost using the first-in, first-out ("FIFO") method, or net realizable value. The Company periodically evaluates inventory to determine its likely future usage and applies the specific write-off method for those items which management deems to have a limited usage. There was no reserve for obsolete inventory as of September 30, 2024 and 2023.

PROPERTY AND EQUIPMENT

Property and equipment is stated at cost. Additions, renewals, and betterments that significantly extend the life of an asset are capitalized. Expenditures for repairs and maintenance are charged to operations as incurred.

For assets sold or otherwise disposed of, the cost and related accumulated depreciation and amortization are removed from the accounts, and any related gain or loss is reflected in income.

Equipment projects-in-progress consist of self-constructed machinery and equipment that the Company will use in its business operations upon completion. All direct and indirect costs are capitalized and included in property and equipment. The Company begins depreciating these self-constructed assets as they are completed and placed in service.

DEPRECIATION AND AMORTIZATION

Depreciation is provided for using the straight-line method over the estimated useful lives of the related assets. Leasehold improvements are amortized over the lesser of the remaining lease term or the useful lives of the related assets.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

VALUATION OF LONG-LIVED ASSETS

The Company reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset may not be recoverable. These circumstances include, but are not limited to (1) a significant decrease in the market value of an asset, (2) a significant adverse change in the extent or manner in which an asset is used, or (3) an accumulation of costs significantly in excess of the amount originally expected for the acquisition of an asset.

The Company measures the carrying amount of the asset against its estimated undiscounted future cash flows. If the sum of the expected future net cash flows is less than the carrying value of the asset being evaluated, an impairment loss is recognized. The impairment loss would be calculated as the amount by which the carrying value of the asset exceeds its fair value. For the years ended September 30, 2024 and 2023, there was no impairment of the Company's long-lived assets.

RIGHT-OF-USE ASSETS AND LIABILITIES

Effective October 1, 2022, the Company adopted FASB Accounting Standards Codification (ASC) 842, Leases (ASC 842). The Company determines if an arrangement contains a lease at inception based on whether the Company has the right to control the asset during the contract period and other facts and circumstances. The Company elected the package of practical expedients permitted under the transition guidance within the new standard, which among other things, allowed it to carry forward the historical lease classification. The Company elected the short-term lease recognition exemption for all leases that qualify. Consequently, for those leases that qualify, the Company will not recognize right-of-use assets or lease liabilities on the balance sheet. The Company generally does not have access to the rate implicit in the lease, and therefore the Company utilizes a risk-free rate as the discount rate.

The adoption of ASC 842 resulted in the recognition of right-of-use assets and operating lease liabilities of \$374,117 as of October 1, 2022. The adoption of ASC 842 did not have a material impact on the Company's results of operations and cash flows. See Note 12.

FAIR VALUE MEASUREMENTS

The fair value of financial instruments is estimated using relevant information that market participants use. Fair value estimates involve uncertainties and matters of significant judgment. Changes in assumptions or in market conditions could significantly affect the estimates.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

DEFERRED LOAN COSTS

Deferred loan costs related to the renewal of the line of credit (Note 8) are capitalized and amortized on a straight-line basis over the period of the related line of credit. Amortization of deferred loan costs of \$72,222 and \$66,667 for the years ended September 30, 2024, and 2023, respectively is reported as interest expense in the combined and consolidated statements of operations.

REVENUE RECOGNITION

The Company follows Accounting Standards Codification (ASC) 606, Revenue from Contracts with Customers (ASC 606). Under ASC 606, revenue is recognized when a customer obtains control of promised goods, in an amount that reflects the consideration which the entity expects to receive in exchange for those goods.

To determine revenue recognition for arrangements that an entity determines are within the scope of ASC 606, the Company performs the following five steps: (i) identify the contract(s) with a customer; (ii) identify the performance obligations in the contract; (iii) determine the transaction price; (iv) allocate the transaction price to the performance obligations in the contract; and (v) recognize revenue when (or as) the entity satisfies a performance obligation.

The Company only continues with the five-step model to contracts when it is probable that the entity will collect the consideration it is entitled to in exchange for the goods it transfers to the customer. At contract inception, once the contract is determined to be within the scope of ASC 606, the Company assesses whether each promised good is distinct. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

The Company's revenues are generated from product sales at a point in time when the product is shipped to the customer pursuant to the terms of sales.

When determining the transaction price of a contract, an adjustment is made if payment from a customer occurs either significantly before or significantly after performance, resulting in a significant financing component. Applying the practical expedient, the Company does not assess whether a significant financing component exists if the period between when the Company performs its obligations under the contract and when the customer pays is one year or less. None of the Company's contracts contained a significant financing component.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

REVENUE RECOGNITION (CONTINUED)

The nature of the Company's business gives rise to variable consideration, including allowances and returns that generally decrease the transaction price which reduces revenue. These variable amounts are generally credited to the customer based on product returns or price concessions. Variable consideration is estimated at the most likely amount that is expected to be earned. Estimated amounts are included in the transaction price to the extent it is probably that a significant reversal of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is resolved. Estimates of variable consideration are estimated based upon historical experience and known trends.

Shipping and handling costs associated with outbound freight are accounted for as a fulfillment cost and, therefore, not considered a separate performance obligation.

ADVERTISING COSTS

Advertising costs are expensed as incurred. There were no significant advertising costs during the years ended September 30, 2024 and 2023.

SHIPPING, HANDLING AND FREIGHT COSTS

Shipping, handling and freight costs are expensed as incurred, and included in cost of goods sold. Total freight expense, net of freight income, is included in cost of goods sold for the years ended September 30, 2024 and 2023 was \$534,018 and \$482,088, respectively.

INCOME TAXES

Dicar is organized as a "C" Corporation and has identified its federal tax return and its state tax return in New Jersey, as "major" tax jurisdictions. Dicar has determined that there are no uncertain tax positions that would require recognition in the financial statements. If the Company were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as penalties. Management's conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

INCOME TAXES (CONTINUED)

Under the asset and liability method, deferred income tax assets and liabilities are recognized for the future tax consequences attributable to differences between the financial statement carrying amounts of existing assets and liabilities and their respective tax bases. Deferred income tax assets and liabilities are measured using enacted tax rates expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. Under this method, the effect on deferred income tax assets and liabilities of a change in tax rates is recognized in income in the period that includes the enactment date.

A valuation allowance is required if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. Management evaluates the need for a valuation allowance periodically.

Robud is a limited liability partnership (“LLP”), and not subject to Federal and State income taxes. Partners of a partnership are taxed on their proportionate share of the partnership’s taxable income. Therefore, no provision for Federal or State income taxes has been included in the financial statements. The partners of Robud have concluded that Robud is a pass-through entity and there are no uncertain tax positions that would require recognition in the financial statements. If Robud were to incur an income tax liability in the future, interest on any income tax liability would be reported as interest expense and penalties on any income tax liability would be reported as income taxes. Robud’s conclusions regarding uncertain tax positions may be subject to review and adjustment at a later date based upon ongoing analyses of tax laws, regulations and interpretations thereof as well as other factors. Generally, Federal, State and Local authorities may examine Robud’s tax returns for three years from the date of filing.

The Bipartisan Budget Act of 2015 (the “Budget Act”) provides new rules for the audits of entities treated as partnerships for taxable years beginning on or after January 1, 2018. These rules will only apply in the event the Internal Revenue Service (IRS) audits the Robud’s tax return. Should Robud subsequently receive such a notice and should the audit result in adjustments increasing the taxable income of the members, Robud may be liable for payment of the income taxes that would have been imposed on the members. If Robud is eligible to make an election out of the new rules and makes such an election or Robud elects to push out the adjustments to the members in a timely manner, Robud will not be liable for any income taxes that result from any IRS audit of any taxable year beginning on or after January 1, 2018. As of the date of this report, Robud has not received any notice of audit by the IRS.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 3 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

FOREIGN CURRENCY TRANSACTIONS

Dicar and Robud's functional currency is the U.S. Dollar. Dithane's functional currency is the Euro. The financial position and results of operations of the Company's foreign businesses are recorded using their local currency as their functional currency. Assets and liabilities of this foreign business are translated into U.S. dollars at year-end exchange rates, and revenues and expenses are translated at the average exchange rates prevailing during the year which approximates the transaction date. Gains or losses resulting from the translation of foreign currency financial statements are accumulated as a separate component of owners' equity. Realized foreign currency transaction gains and losses are reflected in the combined and consolidated statements of operations. The Company transacts business in one international location in the Netherlands.

COMPREHENSIVE INCOME

The Company reports comprehensive income in addition to net income from operations. Comprehensive income is a more inclusive financial reporting methodology that includes changes in owners' equity resulting from transactions other than stockholder investments and distributions. Included in comprehensive income are adjustments for unrealized gains and (losses) on foreign currency translation.

USE OF ESTIMATES IN THE FINANCIAL STATEMENTS

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

SUBSEQUENT EVENTS

Management has evaluated subsequent events to determine if events or transactions occurring through **DATE**, 2025, the date in which financial statements were available to be issued, required potential adjustment to or disclosure in the combined and consolidated financial statements except as disclosed in Note 19.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 4 - INVENTORY

Inventories consist of the following at September 30, 2024 and 2023:

	2024	2023
Raw materials	\$ 454,126	\$ 601,312
Work in process	190,045	157,063
Finished goods	<u>1,752,350</u>	<u>1,807,201</u>
Total Inventories	<u>\$2,324,723</u>	<u>\$2,565,576</u>

NOTE 5 - PROPERTY AND EQUIPMENT

Property and equipment consists of the following at September 30, 2024 and 2023:

	2024	2023	Estimated Useful Lives
Land	\$ 90,571	\$ 90,571	
Building and leasehold improvements	1,865,698	1,855,198	5 - 20 years
Machinery and equipment	11,185,251	11,165,855	3 - 10 years
Office equipment	4,721,558	4,721,558	5 - 10 years
Projects	1,222,467	2,442,477	5 years
Automobiles	<u>645,636</u>	<u>645,636</u>	3 - 5 years
	19,731,182	20,921,295	
Less: Accumulated depreciation and amortization	<u>17,908,825</u>	<u>17,124,802</u>	
Property and Equipment, Net	<u>\$1,822,357</u>	<u>\$ 3,796,493</u>	

During the year ended September 30, 2024, there was a loss on abandonment of property and equipment in the amount of \$1,344,532 and is reflected in the combined and consolidated statements of operations in cost of revenue.

Depreciation and amortization of property and equipment totaled \$784,023 and \$541,716 for the years ended September 30, 2024 and 2023, respectively.

At September 30, 2024 and 2023, included in property and equipment, the Company has \$158,527 and \$136,274 of deposits on projects, respectively.

Included in property and equipment is financial right of use assets with a net book value of \$204,725 and \$272,772 for the years ended September 30, 2024 and 2023, respectively.

THE DICAR GROUP

NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 6 - CASH SURRENDER VALUE, OFFICER LIFE INSURANCE

The Company is the owner and beneficiary of life insurance policies on one officer/stockholder. The Company is also the owner and partial beneficiary of various split-dollar life insurance policies for officers and long-term employees. Upon the death of the officer/employee, the Company is entitled to receive the lesser of the cash surrender value of the split-dollar policy or the sum of its net contributions to the policy. The Company is entitled to the net cash values of the insurance policies upon cancellation. At September 30, 2024 and 2023, the cash surrender value was \$347,695 and \$411,556, respectively. At September 30, 2024, the cash surrender value is net of loans of \$309,884.

NOTE 7- DUE FROM RELATED PARTY

Dicar Inc. incurred legal and financial advisory fees related to a stockholder dispute over the future issuance of stock. Management believes that these costs will be recovered when the issuance occurs. The balance due from related party was \$212,648 and \$364,152 at September 30, 2024 and 2023, respectively.

NOTE 8 - NOTE PAYABLE

The Company has a revolving line of credit ("LOC") with Entrepreneur Growth Capital LLC ("EGC"), which gave the Company the ability to borrow up to \$3,500,000 limited to a percentage of eligible accounts receivable and inventory as defined in the agreement, for working capital and other corporate needs in the ordinary course of business. The LOC expired on October 31, 2024. Interest is payable monthly and bears interest equal to the prime rate (8.00% and 8.50% at September 30, 2024 and 2023, respectively) plus 2.75% per annum on loans and advances made against eligible accounts receivable and inventory. The LOC is collateralized by receivables, inventory and equipment as defined. In addition, the Company must comply with certain financial and restrictive covenants. At September 30, 2024 and 2023, the outstanding balance on the line of credit was \$2,484,453 and \$2,512,094, respectively.

At September 30, 2024, the Company is in violation of certain financial covenants and is currently seeking a waiver and renegotiating the terms of the agreement. These financial statements do not reflect any adjustments or disclosures that would be required to be made should the Company not obtain a waiver from the bank.

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 9 – LONG-TERM DEBT

At September 30, 2024 and 2023, long-term debt consists of the following:

	2024	2023
Dicar has notes payable with EGC in a total amount of \$750,000. Monthly principal payments range from \$3,077 to \$4,615 with various maturity dates through May 2027. Interest is the Prime Rate plus 3.75% per annum. The note payable is secured by equipment purchased.	\$ 355,384	\$ 493,846
The Company has a note payable for equipment. Monthly installments of principal and interest is \$3,898 with a maturity date of October 2026 with an interest rate of 9.30% per annum. The note is collateralized by the underlying equipment.	88,298	124,996
The Company has five and six separate notes payable for various vehicle loans in 2024 and 2023, respectively. Monthly installments of principal and interest range from \$574 and \$877 with various maturity dates through May 2028. Interest ranges from 0% to 6.09% per annum. The notes are collateralized by the underlying equipment.	<u>97,539</u>	<u>148,218</u>
Total Long-Term Debt	541,221	767,060
Less: current maturities of long-term debt	<u>211,144</u>	<u>225,839</u>
Long-Term Debt, Net of Current Maturities	<u>\$ 330,077</u>	<u>\$ 541,221</u>

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NOTE 9 – LONG-TERM DEBT (CONTINUED)

As of September 30, 2024, future maturities of long-term debt are as follows:

For the Years Ending September 30,	Amount
2025	\$ 211,144
2026	214,063
2027	109,153
2028	<u>6,861</u>
Total	<u><u>\$ 541,221</u></u>

NOTE 10 - NOTE PAYABLE, STOCKHOLDER

The Company had a note payable to the Barbara Dianne Warll Marital Trust, stockholder with interest at the prime rate plus 4.5% and a special rate of 12%. Interest-only payments were due monthly at the base rate until the senior secured debt from EGC is paid in full. Interest expense in the amount of \$50,548 and \$144,579 has been charged to operations for the years ended September 30, 2024 and 2023, respectively. In September 2024, the amount of \$1,495,522 was forgiven due to a release of this debt according to a separation agreement. The full loan amount of \$2,095,522 has been reported as additional paid in capital.

NOTE 11 - BOARD FEES PAYABLE – RELATED PARTIES

Dicar, Inc.'s Board of Directors ("Board") includes two related parties. The Board fee expense at September 30, 2024 and 2023 was \$39,000 and \$36,000, respectively. The accrued Board fee for related parties was \$39,000 and \$1,005,834 as of September 30, 2024 and 2023, respectively. In September 2024, the amount of \$1,103,334 was forgiven due to a release of this debt according to a separation agreement.

NOTE 12 – COMMITMENTS AND CONTINGENCIES

LEASES

The Company has an operating lease for office and warehouse space in Pine Brook, New Jersey which expires September 2026. The lease is subject to annual escalations and is subject to other additional property expenses.

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FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LEASES (CONTINUED)

In March 2023, Dicar entered into an operating lease for warehouse space in Tomball, TX which expires March 2033. The lease is subject to annual escalations and is subject to other additional property expenses.

Europe leases office and warehouse space at De Boeg 8, Drachten, Netherlands on a month-to-month basis.

Europe leases vehicles under operating leases with various terms. The monthly aggregate lease payments for all leased vehicles total approximately \$21,515 and \$29,427 for the years ended September 30, 2024 and 2023, respectively. The leases expire through June 2027.

Dicar leases equipment and software under eight separate non-cancellable financing lease agreements due in various monthly payments ranging from \$29 to \$4,242 with various maturity dates through May 2028.

Variable payments are not determinable at the lease commencement and are not included in the measurement of the lease asset and liability. These lease agreements do not include any material residual value guarantees or restrictive covenants.

The following summarizes the items in the balance sheets which include amounts for operating and financing leases at September 30, 2024 and 2023:

	2024	2023
Operating Right-of-Use Assets	<u>\$2,166,308</u>	<u>\$2,455,133</u>
Current portion of operating lease liabilities	\$ 275,140	\$ 253,450
Operating lease liabilities, less current portion	<u>1,951,188</u>	<u>2,226,328</u>
Total Operating Lease Liabilities	<u>\$2,226,328</u>	<u>\$2,479,778</u>

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LEASES (CONTINUED)

	2024	2023
Financing Right-of-Use Assets	<u>\$ 215,833</u>	<u>\$ 301,065</u>
Current portion of financing lease liability	\$ 109,173	\$ 62,588
Financing lease liability, less current portion	<u>109,035</u>	<u>217,948</u>
Total Financing Lease Liability	<u>\$ 218,208</u>	<u>\$ 280,536</u>

The components of operating lease cost are as follows for the years ended September 30, 2024 and 2023:

	2024	2023
Operating lease costs:		
Fixed rent expense	\$ 371,750	\$ 235,592
Variable rent expense	<u>25,140</u>	<u>267,156</u>
Total Operating Lease Costs	<u>\$ 396,890</u>	<u>\$ 502,748</u>
Financing lease costs:		
Amortization of ROU Asset	\$ 85,227	\$ 76,111
Interest on lease liabilities	<u>21,148</u>	<u>23,956</u>
Total Financing Lease Cost	<u>\$ 106,375</u>	<u>\$ 100,067</u>

The following summarizes the cash flow information related to operating leases for the years ended September 30, 2024 and 2023:

	2024	2023
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows for operating leases	\$ 336,375	\$ 210,946
Financing cash flows from financing leases	\$ 86,176	\$ 104,412
Lease assets obtained in exchange of lease liabilities		
Operating leases	\$ --	\$2,266,892
Financing leases	\$ --	\$ 100,588

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 12 – COMMITMENTS AND CONTINGENCIES (CONTINUED)

LEASES (CONTINUED)

Lease terms and discount rates are as follows as of September 30:

	2024	2023
Weighted average remaining lease term – operating	5.25 years	6.25 years
Weighted average remaining lease term – financing	2.75 years	3.75 years
Weighted average discount rate – operating	3.27%	3.27%
Weighted average discount rate – financing	7.15%	7.15%

The maturities of operating and financing lease liabilities as of September 30, 2024, are as follows:

For the Years Ending September 30,	Operating	Financing
2025	\$ 349,232	\$ 86,177
2026	361,635	85,718
2027	263,965	73,443
2028	271,884	6,089
2029	280,040	--
Thereafter	1,046,808	--
Total lease payments	2,573,564	251,427
Less: Amounts representing interest	347,236	33,219
Present value of future minimum lease payments	2,226,328	218,208
Less: current maturities	275,140	109,173
Long-Term Lease Liability	\$ 1,951,188	\$ 109,035

SELF-INSURANCE

Dicar, Inc. offers its employees' health insurance under a self-funded plan. Dicar, Inc.'s stop-loss coverage covers claims in excess of \$100 per person without an annual loss limitation. The reserve for pending claims and estimated claims not yet filed is included in accrued expenses and other current liabilities and totaled approximately \$89,955 and \$55,564 as of September 30, 2024 and 2023, respectively.

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 13 - INCOME TAXES

The provision for income taxes for the years ended September 30, 2024 and 2023 is comprised of the following:

	2024	2023
Current:		
Federal	\$ --	\$ --
State and local	<u>35,274</u>	<u>3,777</u>
Total Current	<u>35,274</u>	<u>3,777</u>
Total Provision for Income Taxes	<u>\$ 35,274</u>	<u>\$ 3,777</u>

Deferred income taxes reflect the net effect of temporary differences between the carrying amount of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of the Company's deferred income tax assets and liabilities at September 30, 2024 and 2023 are as follows:

	2024	2023
Deferred Tax Assets		
Net operating losses	\$1,564,171	\$1,082,654
Amortization	231,920	41,709
Lease liability	565,710	--
Allowance for credit losses	18,189	12,500
Accruals	<u>--</u>	<u>2,831,452</u>
Total Deferred Tax Assets	<u>2,379,990</u>	<u>3,968,315</u>
Deferred Tax Liabilities		
Depreciation	(80,944)	(409,221)
Right of use assets	<u>(550,459)</u>	<u>--</u>
Total Deferred Tax Liabilities	<u>(631,403)</u>	<u>(409,221)</u>
Net Deferred Tax Assets	1,748,587	3,559,094
Less: Valuation Allowance	<u>(1,748,587)</u>	<u>(3,559,094)</u>
Net Deferred Tax	<u>\$ --</u>	<u>\$ --</u>

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 13 - INCOME TAXES (CONTINUED)

The change in the valuation allowance for the years ended September 30, 2024 and 2023 was approximately \$1,811,000 and \$995,000, respectively.

A valuation allowance is required if, based on the weight of available evidence, it is more likely than not that some portion or all of the deferred tax assets will not be realized. At September 30, 2024 and 2023 management determined that it is more likely than not that some of the deferred tax assets will not be utilized. As such, the Company recorded a valuation allowance of approximately \$1,748,587 related to net operating losses. Dicar Inc has Federal net operating losses of approximately \$6,257,000 subject an expiration date, will begin to expire in 2033.

NOTE 14 – DEFINED CONTRIBUTION PLAN

Dicar sponsors a defined contribution profit-sharing plan (the “Plan”) for its employees who meet certain eligibility requirements. The Plan is qualified under section 401(k) of the Internal Revenue Code. Under the Plan, certain employees who have at least one year of service and have attained age 21 can participate and defer a portion of their compensation annually, not to exceed the limited imposed by the Internal Revenue Code. Dicar contributes 3% of each employee’s eligible compensation as a “Safe Harbor” contribution. During the years ended September 30, 2024 and 2023, contribution to the Plan totaled \$166,062 and \$185,951, respectively.

Europe sponsors a pension plan in which all employees 21 years of age or older participate regardless of hours worked. Contributions are determined by age with both the employee and employer contributing an equal amount. It is the policy of Europe to fund the retirement plan expense. Retirement plan expense incurred for the years ended September 30, 2024 and 2023 was \$70,307 and \$67,459, respectively.

NOTE 15 - ERC INCOME

The Company was eligible to receive employee retention credits (“ERC”) as part of the Coronavirus Aid, Relief, and Economic Security Act totaling \$1,404,725. In analogizing to International Accounting Standard (“IAS”) 20, Accounting for Government Grants and Disclosure of Government Assistance, the Company considers the ERC as a government grant. Grant income of \$1,404,725 was recognized and reported as Other Income for the year ended September 30, 2023, the year in which the amended payroll tax forms were filed. As of September 30, 2024 and 2023, the Company has \$-- and \$1,404,725 receivable balance, respectively.

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NOTES TO COMBINED AND CONSOLIDATED FINANCIAL STATEMENTS

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NOTE 16 - ECONOMIC DEPENDENCY

MAJOR CUSTOMERS

During the year ended September 30, 2024, the Company had a substantial portion of its sales to one customer. Sales to this customer totaled \$3,938,726 (17% of revenues). At September 30, 2024, the amount due from this customer included in accounts receivable was \$587,069 (19% of accounts receivable).

During the year ended September 30, 2023, the Company had a substantial portion of its sales to one customer. Sales to this customer totaled \$3,912,595 (16% of revenues). At September 30, 2023, the amount due from this customer included in accounts receivable was \$516,391 (16% of accounts receivable).

VENDORS

During the year ended September 30, 2024, the Company had a substantial portion of its purchases from one supplier. Purchases from this supplier totaled \$3,992,144 (54% of purchases). At September 30, 2024, the amounts due to this supplier included in accounts payable was \$849,016 (39% of accounts payable).

During the year ended September 30, 2023, the Company had a substantial portion of its purchases from one supplier. Purchases from this supplier totaled \$3,840,573 (38% of purchases). At September 30, 2024, the amounts due to this supplier included in accounts payable was \$1,470,882 (46% of accounts payable).

NOTE 17 - UNCERTAINTIES

On April 2, 2025, President Trump signed the Executive Order, Regulating Imports with a Reciprocal Tariff to Rectify Trade Practices that Contribute to Large and Persistent Annual United States Goods Trade Deficits (“the April 2 EO”), to take action based on the results of certain investigations related to the causes of the U.S.’s large and persistent annual trade deficits in goods. Subsequent to the April 2 EO, there have been additional Executive Orders that have, among other actions, effectively suspended the enforcement of certain country-specific tariffs until July 9, 2025, for all trading partners except for the People’s Republic of China. The Company is currently assessing the potential impact of these actions, however it is reasonably possible that the impact of these tariffs will result in a reduction in the Company’s projected operating results and reduce liquidity which may result in a material impact on certain estimates included in the financial statements such as the collectability of receivables, carrying value of inventories, and potential impairment of other long lived assets.

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FOR THE YEARS ENDED SEPTEMBER 30, 2024 AND 2023

NOTE 18 - LITIGATIONS

Dicar was named in a lawsuit for wrongful employee termination. The lawsuit was settled in October 2024 in favor of the plaintiff and the Company is liable for \$50,000 which has been accrued for at September 30, 2024.

Dicar is named in a lawsuit for open invoices related to utility services provided to the defendant. The lawsuit is expected to be in the plaintiffs' favor and the Company is expected to be liable for approximately \$150,000 which has been accrued for at September 30, 2024.

Other than the litigations disclosed above, the Company is involved in routine litigation that arises in the ordinary course of the business. While the Company does not believe that any of these items would have a material impact on the Company's financial position or its results of operations, the Company is unable to predict the ultimate outcome at this time.

NOTE 19 – SUBSEQUENT EVENT

In October 2024, Dicar entered into a finance agreement to finance certain insurance policies. Payments commence in October 2024 and are due in ten monthly installments of principal and interest of \$37,103 at an interest rate of 8.78% per annum.

In May 2025, certain shareholders of Dicar Inc. entered into a stock purchase agreement to sell and transfer certain Class A voting common stock and Class B non-voting common stock which resulted in a change in control.